



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

Audrey Perry, Esq.
Caplin & Drysdale, Chartered
One Thomas Circle N.W.
Suite 1100
Washington, D.C. 20005-5802

MAR 12 2007

Re: MUR 5767
Republican Issues Committee
and Chris Gersten, in his official
capacity as treasurer

Dear Ms. Perry:

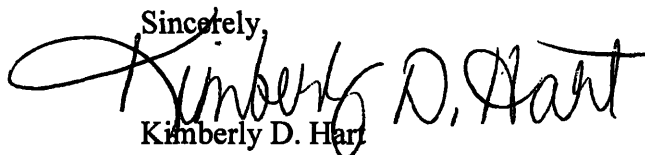
On March 6, 2007, the Federal Election Commission accepted the signed conciliation agreement submitted on your client's behalf in settlement of violations of 2 U.S.C. § 434(b), a provision of the Federal Election Campaign Act of 1971, as amended ("Act"). Accordingly, the file has been closed in the matter.

Documents related to the case will be placed on the public record within 30 days. *See* Statement of Policy Regarding Disclosure of Closed Enforcement and Related Files, 68 Fed. Reg. 70,426 (Dec. 18, 2003). Information derived in connection with any conciliation attempt will not become public without the written consent of the respondent and the Commission. *See* 2 U.S.C. § 437g(a)(4)(B).

Enclosed you will find a copy of the fully executed conciliation agreement for your files. According to the terms of the conciliation agreement, your client will pay \$66,000 of the \$110,000 civil penalty within 30 days of the conciliation agreement's effective date and the remaining \$44,000 in six monthly payments of \$7,333.33.

If you have any questions, please contact me at (202) 694-1618.

Sincerely,


Kimberly D. Hart
Attorney

Enclosure
Conciliation Agreement

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
) MUR 5767
Republican Issues Committee and)
Chris Gersten, in his official capacity as)
treasurer)

CONCILIATION AGREEMENT

This matter was initiated by the Federal Election Commission ("Commission"), pursuant to information ascertained in the normal course of carrying out its supervisory responsibilities.

The Commission found reason to believe that Republican Issues Committee and Chris Gersten, in his official capacity as treasurer, ("Respondents") violated 2 U.S.C. § 434(b).

NOW, THEREFORE, the Commission and the Respondents, having participated in informal methods of conciliation, prior to a finding of probable cause to believe, do hereby agree as follows:

I. The Commission has jurisdiction over the Respondents and the subject matter of this proceeding, and this agreement has the effect of an agreement entered pursuant to 2 U.S.C. § 437g(a)(4)(A)(i).

II. Respondents have had a reasonable opportunity to demonstrate that no action should be taken in this matter.

III. Respondents enter voluntarily into this agreement with the Commission.

IV. The pertinent facts in this matter are as follows:

1. Republican Issues Committee is a political committee within the meaning of 2 U.S.C. § 431(4).

2. Chris Gersten is the treasurer of Republican Issues Committee.

1 3. Republican Issues Committee is a qualified non-party committee.

2 4. On October 21, 2004, the Committee filed its 2004 12 Day Pre-General Report
3 disclosing receipts totaling \$5,746.00 and \$0 in disbursements covering the period from October
4 1, 2004 to October 13, 2004.

5 5. On April 20, 2005, the Committee filed an amended 2004 12 Day Pre-General Report
6 disclosing \$93,000.31 in additional receipts and \$106,719.42 in additional disbursements
7 covering the same period.

8 6. On December 2, 2004, the Committee filed its 2004 30 Day Post-General Report
9 disclosing receipts totaling \$7,951.88 and \$8,932.15 in disbursements covering October 14, 2004
10 through November 22, 2004.

11 7. On April 20, 2005, the Committee filed an amended 2004 30 Day Post-General
12 Report and reported an additional \$675,813.65 in receipts and \$647,547.67 in additional
13 disbursements covering the same time period.

14 8. On January 31, 2005, the Committee filed its 2004 Year End Report disclosing
15 \$9,915 in receipts covering November 23, 2004 through December 31, 2004.

16 9. On April 20, 2005, the Committee filed an amended 2004 Year End Report disclosing
17 an additional \$325,616.45 in receipts covering the same time period.

18 10. The treasurer of a political committee must file reports of all receipts and
19 disbursements in accordance with the Federal Election Campaign Act of 1971 as amended.
20 2 U.S.C. § 434(a)(1).

21 11. A political committee, other than an authorized committee, is required to file a pre-
22 election report no later than the 12th day before any election which the committee makes a

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1 contribution to or expenditure on behalf of a candidate which shall be complete as of the 20th day
2 before the election. 2 U.S.C. § 434(a)(4)(A)(ii).

3 12. A political committee, other an authorized committee, is required to file a post-
4 election report no later than the 30th day after any general election and which shall be complete as
5 of the 20th day after such general election. 2 U.S.C. § 434(a)(4)(A)(iii).

6 13. A political committee, other than an authorized committee, is required to file a year
7 end quarterly report which shall be filed no later than January 31 of the following calendar year.
8 2 U.S.C. § 434(a)(4)(A)(i).

9 14. The reports shall disclose, *inter alia*, the total amount of all receipts and all
10 disbursements, including the appropriate itemizations where required. 2 U.S.C. § 434(b)(2),
11 (b)(4); 11 C.F.R. § 104.3(a)(1), (a)(4), (b)(1), and (b)(3).

12 15. The Committee did not comply with reporting requirements when it failed to disclose
13 \$93,000.31 in receipts and \$106,719.42 in disbursements in its 2004 12 Day Pre-General
14 Report, \$675,813.65 in receipts and \$647,547.67 in disbursements in its 2004 30 Day Post-
15 General Report, and \$325,616.45 in receipts in its 2004 Year End Report. The earliest
16 amendments to these reports were filed approximately 7 months, 5 months and 4 months,
17 respectively, after the original reports were filed. The Pre-General Report was an election-
18 sensitive report.

19 V. Respondents failed to report \$93,000.31 in receipts and \$106,719.42 in disbursements
20 in their 2004 12 Day Pre-General Report, \$675,813.65 in receipts and \$647,547.67 in
21 disbursements in their 2004 30 Day Post-General Report, and \$325,616.45 in receipts in their

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2004 Year End Report in violation of 2 U.S.C. § 434(b). Respondents will cease and desist from violating 2 U.S.C. § 434(b).

VI. Respondents contend that its omission of these amounts was due to administrative oversight, and evidences no intent to violate any provision of the Act. Respondents further contend that the Committee, upon discovery of the error, amended its reports to fully and accurately disclose the transactions at issue, as required by law.

VII. Respondents will pay a civil penalty to the Federal Election Commission in the amount of One Hundred Ten Thousand Dollars (\$110,000), pursuant to 2 U.S.C. § 437g(a)(5)(A).

1. A payment of Sixty-Six Thousand Dollars (\$66,000) is due no more than thirty (30) days from the date this Agreement becomes effective;

2. Thereafter, six consecutive monthly installment payments of Seven Thousand Three Hundred Thirty Dollars and Thirty-Three Cents(\$7,333.33) each, and each such installment shall be paid within thirty (30) days of the previous installment; and

3. In the event that any payment is not received by the Commission by the fifth day after it becomes due, the Commission may, at its discretion, accelerate the remaining payments and cause the entire amount to become due upon ten days written notice to the Respondents. Failure by the Commission to accelerate the payments with regard to any overdue payment shall not be construed as a waiver of its right to do so with regard to further overdue payments.

VIII. The Commission, on request of anyone filing a complaint under 2 U.S.C. § 437g(a)(1) concerning the matters at issue herein or on its own motion, may review compliance with this agreement. If the Commission believes that this agreement or any

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1 requirement thereof has been violated, it may institute a civil action for relief in the United
2 States District Court for the District of Columbia.

3 IX. This agreement shall become effective as of the date that all parties hereto have
4 executed same and the Commission has approved the entire agreement.

5 X. Respondents shall have no more than 30 days from the date of this agreement
6 becomes effective to comply with and implement the requirements contained in this agreement
7 and to so notify the Commission.

8 XI. This Conciliation Agreement constitutes the entire agreement between the parties on
9 the matters raised herein, and no other statement, promise, or agreement, either written or oral,
10 made by either party or by agents of either party, that is not contained in this written agreement
11 shall be enforceable.

12 FOR THE COMMISSION:

13 Lawrence H. Norton
14 General Counsel

15 BY:

16 Rhonda J. Vosdigh
17 Rhonda J. Vosdigh
18 Associate General Counsel
for Enforcement

3/12/07
Date

19 FOR THE RESPONDENTS:

Chris Genter

20 Tranmer
21 (Name)
22 (Position)

4/11/07
Date

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